

Equality Impact and Outcome Assessment (EIA)

Title of EIA	Council Tax Reduction Scheme 2021/22	ID No.	1
Team/Department	Revenues and Benefits		
Focus of EIA	<p>The focus of this EIA is the impact of what the proposed change to the Council Tax Reduction (CTR) scheme from April 2020 would mean for recipients of CTR.</p> <p>The proposals are all designed to make the scheme more generous for those who are eligible to receive it. They are that:</p> <ul style="list-style-type: none"> • The maximum amount of CTR any household can claim should be increased from 80% to 82% of a Band D property. • The minimum award of Council Tax Reduction is reduced from £5.00 to either 50p, 20p or 1p. • A budget of £0.200m is allocated for the Discretionary Council Tax Reduction fund. • The requirement for completing a Council Tax Reduction claim form be removed for Universal Credit recipients, in the circumstances described in para 4.9 of the report. <p>Previous EIA's cover the existing Council Tax Reduction scheme, including all of its amendments to date. The focus of this EIA is therefore to examine the change proposed for the 2021/22 year.</p> <p>Some groups of people sharing protected characteristics are disproportionately likely to be recipients of CTR (e.g.: disabled people, women as heads of lone parent households and people in some age groups). Any changes in personal circumstances will be entirely dependent on the individual's circumstances however, and no trends have been identified that disproportionately disadvantage or benefit people sharing characteristics. As the proposed changes are designed to make the scheme more generous and apply across the board to all eligible recipients of CTR, no negative consequence to particular characteristic groups have been identified.</p> <p>The cost of the scheme will be an estimated £0.356m recurrently plus an additional £0.190m one-off funding. Potential implications of these changes are that the money will either need to be found from within existing budgets, or that it could form part of the considerations for increasing the council tax rate in 2021/22. In the first scenario, services used by the same vulnerable households that would benefit from the changes could be reduced. Any proposal of this kind would have an EIA which would then explore any potential negative impacts on protected characteristic groups. In the second scenario, an increase in the Council Tax rate will mean additional cost for every rate paying household in the city. However, because this impact would apply to each household, regardless of protected characteristics, no particular negative consequences have been identified.</p>		

Assessment of overall impacts and any further recommendations

For clarity all disproportionate impacts on specific groups are highlighted in the single section below.

Overall impacts and notes:

- The proposed changes to the Council Tax Reduction scheme are positive for those who are eligible to receive Council Tax Reduction. Therefore, there are no identified negative impacts on protected characteristic groups.
- If there is a Council Tax rise, there will be a disadvantage to a larger group of people, but as they will not be recipients of Council Tax Reduction, they will be the least economically disadvantaged households in the city. Any EIA within a proposal to increase Council Tax will explore these negative impacts in more detail.
- Any proposal to reduce services in order to pay for the proposed changes to the Council Tax Reduction Scheme will explore in detail the potential consequences of such actions against specific protected characteristic groups.
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Potential issues

- As the proposed scheme is for positive changes, no issues have been identified for low income households who may fall into the protected characteristic groups.
- That in order to pay for the proposed changes, the money will have to be found from within existing budgets or that the Council Tax will need to be increased.

Mitigating actions

- That due consideration be given so that any reduction in council services does not disproportionately impact the vulnerable households that proposed changes seek to help.

The following mitigations exist in general for the CTR scheme to guard against disproportionate negative consequence of the CTR scheme in general:

- Continue to provide a discretionary fund which can be used to increase the amount of CTR anyone can get if they face exceptionally difficult circumstances. Review take up of the discretionary fund to make sure it is being taken up where there is a need
- Ensure there is availability of advice within the city so people can receive help dealing with benefits, payment of council tax, budgeting and moving towards work.

Actions planned

The possible impact on services is highlighted in the main CTR review report for Policy & Resources Committee and then full Council to consider in January 2021. Any individual service proposals will be subject to their own EIA's in their relevant service areas.